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ABSTRACT

Responsibilities of trustees that are common to all types of colleges and universities are examined. The following areas are addressed: (1) appointing the president, (2) supporting the president, (3) assessing the president's performance, (4) clarifying the institution's mission, (5) approving long-range plans, (6) approving the educational program, (7) insuring financial solvency, (8) maintaining the physical plant, (9) preserving institutional autonomy, (10) enhancing the public image, (11) serving as a court of appeal, and (12) assessing their own performance. It is suggested that trustees, as the legal owners and the final authority for the institutions, have both legal and moral duties. (SW)

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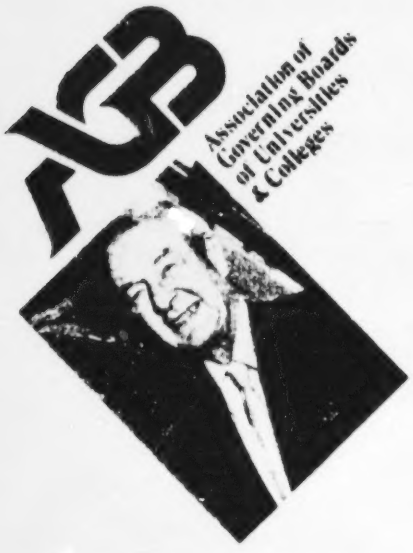

John W. Nason

John W. Nason wrote *The Future of Trusteeship*, on which this article is based, as his report for the ACB Commission on the Future, which he served as Director of Studies, 1973-74. In a long and distinguished academic career Dr. Nason has served as president of Carleton and Swarthmore Colleges and as trustee of Vassar College and Phillips Exeter Academy. Among his many other writings are the recently completed *Presidential Search* and *Presidential Assessment*.

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Trustee Responsibilities

The governance of colleges and universities is a complex operation. Trustees, administration and faculty share in widely varying ratios the determination of educational goals and policies. In recent years students as consumers have also participated, and the burgeoning of educational systems has given state officials a voice. The president, however, and his or her administrative team remain the central influence in policy as well as the dominant force in management.

The explosive growth of postsecondary education since World War II—the result not just of population increase but of new expectations and profound cultural changes—has so altered the traditional educational pattern that long accepted landmarks have disappeared, new opportunities have beckoned, and a Pandora's box of problems—some new, some old—now threatens the stability, if not the survival, of individual institutions. In this fluid and uncertain state of affairs trustees have an increasingly important role to play. They are the legal owners and the final authority for the institutions whose assets and operations they hold *in trust*. They must decide who are to be the beneficiaries, in what ways and to what degree. They must satisfy not only themselves but others that the institution is heading in the right direction and is well managed. In short, they must fulfill their responsibilities, legal and moral, as *trustees*.

These responsibilities will vary according to the type of institution, but some are common to all types and to all trustees. Here are a round dozen.

1. To appoint the president

Since the president is, or ought to be, the central and most influential person in guiding the institution, it is of paramount importance that the right man or woman be selected. Although faculty, administrative officers, students, alumni and others will want a voice in the decision, the selection and appointment of the president is a board responsibility. It is often said that this is the chief responsibility of trustees.

Different constituencies may each want a different kind of person who will be sympathetic to their concerns. Trustees should decide, with help from faculty and others, the particular needs of the college or university at the time a new appointment is to be made and should insist that the selection process produce one or more individuals who are qualified to deal with those needs. This is normally a long and quite difficult task. The participation of faculty and others may be essential to insuring full support for the new president when appointed. Decisions on timing, however, on the machinery of search and selection, on the most important qualifications, on the terms of appointment —these are all properly board decisions and should not be skimped.

2. To support the president

Academic communities have sometimes been likened to organized anarchies in which each sector seeks its own objectives. The president is pulled and buffeted by conflicting expectations and demands. His or her job is exciting, demanding, occasionally rewarding, but all too often frustrating. The president will need the constant support and encouragement of the trustees, not just because he or she is their agent with the responsibility of carrying out their wishes, but also because they, like the president, have the well-being of the whole institution, and not just part of it, as their concern.

A thoughtful and sensitive board, and especially a wise chairman, can save the president from many mistakes, can buttress weak points and back up the president when he or she needs support. Trustees should be concerned for the health and effectiveness of the president, insisting on adequate staff and adequate holidays. "Given the substantial investment a governing board makes in finding a president," writes Joseph Kauffman, "it is simply good management for the board to conserve this important resource. Leadership is a scarce and precious asset that should not be taken for granted."

The trustees of a system with many institutions and many presidents under their control will find it difficult to be directly concerned with individual presidents. They can encourage the system officer to stand *in loco parentis*, or they can establish local boards or councils for each institution, the members of which will provide sympathetic understanding and help.

3. To assess the president's performance

Support for the president, if it is to be at all discriminating, must be based on an understanding of the job and assessment of performance. The board has not only the right, but the obligation to make sure that its policies are being faithfully carried out. Since presidents are human, they are fallible, falling occasionally into bad administrative habits or shunning tough administrative decisions.

How will the trustees find out how the president is doing? Many boards are content with occasional *ad hoc* inquiries of an informal nature, largely private, often conducted by the chairman or a small committee. Others prefer more formal and structured investigations at regular intervals, usually with some inquiry into the attitudes of faculty, administrative officers, students, alumni and perhaps others. Some sort of periodic assessment is almost inevitable in large and particularly public institutions. In small colleges where trustees are close to the institution, its people and its operations, the review can be more or less continuous, avoiding the sometimes traumatic consequences of formal public hearings and maximizing the advantages of close and intimate relations between trustees and president.

However the review is made, the president should know the criteria on which his or her performance is being judged. These criteria, or expectations, should be made clear at the time of appointment and periodically thereafter. Assessment may lead to termination, preferably by mutual agreement. Its purpose, however, is not to find grounds on which to fire the president, but insights into ways in which he or she can do a better job and where the trustees can be more helpful.

4. To clarify the mission

Every college and university was originally created to serve one or more reasonably specific purposes. Over time a process of homogenization has taken place. The elimination of some of the early limitations has been a good thing; the loss of clarity respecting the ultimate goals of the institution has not. Each college and university in this day of dwindling resources should be able to justify its existence in terms of its contribution to society.

The clarification of purpose is, or should be, a joint enterprise for faculty, administration and trustees. The faculty and administration are the professionals who know what teaching and scholarship are all about. One group tends to be so preoccupied with its various disciplines and the other so overwhelmed with immediate problems of administration, however, that neither is likely to focus on mission unless compelled to do so. This is the function of the trustees who should demand a statement of the mission of the institution to which they and all others can subscribe.

5. To approve long-range plans

Long-range plans are the strategies for achieving the institution's mission. The importance of such strategies needs little defense, yet the pressure of immediate problems has deflected many administration teams from drawing up long-range plans. Sometimes the immediate situation is so desperate that short-term measures are all that can be managed. In a period of declining resources, however, the need for long-term projections becomes all the more urgent. How will the institution cope with the financial crunch? What alleviating factors or alternative strategies are possible? What plans should the institution be making to adjust to the reduction in the traditional pool of applicants? What pervasive changes in society will impact on the institution's educational programs?

Here, as with mission, the responsibility of the trustees is not to draw up long-range plans, but to insist that administration and faculty do so in terms that the board can approve.

6. To approve the educational program

In this century conventional wisdom has held that trustees should be concerned with the externals of education—finances, buildings and grounds, public relations—and should leave the business of education to the administration and faculty. Some faculty would even exclude the administration. Surely this is nonsense.

The ultimate mission calls for long-range plans, and these in turn must incorporate such educational programs as the college or university is prepared to offer. If trustees are responsible for mission, if they have the obligation to review and approve long-range plans, then they also have the responsibility to approve the educational programs. Or looked at another way, trustees are clearly responsible for the financial viability of the institution. That means that they must make sure that in the long run budgets are balanced. In approving the budget they approve the educational programs which the budget makes possible. That approval is either arbitrary and irresponsible or it is based on some knowledge of the variety and importance of the educational programs being supported.

A word or two of caution is in order. The decision to add or subtract a medical or engineering program is ultimately a board decision. What is taught in the medical school or in electrical engineering is the faculty's business, and trustees should not interfere with course offerings. Furthermore, trus-

tees would be wise to listen carefully to the recommendations of the president who has presumably been selected for his or her competence as a professional educator. Presidents are not always right, and trustees must be prepared to exercise independent judgment. But they should have strong and compelling reasons for their disagreement, and if the president is wrong too often, they should start looking for a new president.

7. To insure financial solvency

Since the trustees hold the assets of colleges and universities in trust, they have a special obligation to be sure that they are well managed. Endowments must be invested with prudence, and trustees should be mindful of the rights of future beneficiaries as well as the needs of those currently on campus.

In the long run income must equal expenditure if the institution is to survive. Special circumstances and sudden emergencies may necessitate short-term deficits covered by bank loans or borrowings from capital. Sooner or later, however, the day of reckoning comes. If the institution is to remain solvent and viable, income must be increased or expenses cut back or both.

Since retrenchment is never easy or popular, the more attractive alternative is to increase income. Efforts can be made to attract more tuition-paying students or, if the market and institutional philosophy will permit, to increase tuition and fees. New sources of earned income can be sought, but here the trustees must guard against cheapening the institution or changing its nature merely for the sake of additional revenue. Sometimes additional endowment income can be generated by changes in investment policy. For independent institutions primarily dependent on private funds, a determined effort to increase those funds, whether by way of a capital drive or through gifts to current operating expenses, will inevitably be part of the answer. For publicly supported institutions appeals for private donations will supplement state or municipal funds, but efforts must be made to increase appropriations.

In every campaign for additional funds, whether private gifts or public monies, the trustees must take the lead. In the private sector trustees must set an example by their own gifts. Others will judge the importance of their participation by the concern reflected in trustee giving. And no independent college or university trustee should consider himself immune from the responsibility of asking others to give. Some people are better at this than others; some have better access to people with money. Only a judge can honorably decline to solicit, and he or she can help the campaign in other ways.

For the trustees or regents of public institutions the job is both easier and harder—easier because public appropriations cover most of the costs, harder because getting the sympathetic support of politically sensitive governors, budget officers and legislators is a complex and difficult operation. Here too, however, trustees and regents cannot afford to sit on their hands. When the issue is clear, they must be prepared to do battle for the institution or system of institutions they serve.

Everyone hopes that the budget will be balanced by increases on the income side, but it is unrealistic to expect this always to happen. When income is inadequate, there is no choice but to curtail expenditures. This comes hard, for the expansion of the educational world in the past quarter century has accustomed faculty and administrators to growth rather than to retrenchment. In the present crunch cutting back a little here and a little there will not work for long. The time comes when major surgery is required. Some members of the academic community will not believe this; others will accept it so long as the amputation occurs in other parts of the academic body. The president finds himself caught in a merciless cross fire. At this point the trustees need not only to support the president, but to make it publicly known that they do so. They should make it clear that they agree with the budget cuts and take full responsibility for them.

8. To maintain the physical plant

Most colleges and universities have a physical complex, the size and cost of which directly affect both the balance sheet and the operating statement. If physical facilities are inadequate for the educational programs conducted or desired, trustees should take the lead in improving them. If trustees are complacent about the proliferation of buildings, they may find themselves struggling with a budget top-heavy with building maintenance.

In short, the physical plant is part of the institution's assets; and since the trustees are under obligation to protect those assets, they must concern themselves with buildings and grounds. In periods of tight budgets many administrators prefer to cut the buildings and grounds budget rather than the budget for instruction. If continued for long, buildings grow shabby as deferred maintenance mounts up. Trustees can prevent disaster by insisting on prudent and long-term policies.

Again a word of caution is in order. There was a time when the businessman trustee understood the practical problems of plant management better than the ministerial president. As colleges and universities have grown, so has the competence of their business officers. The line between policy and management is not easy to draw. Trustees should try to stay on the policy side.

9. To preserve institutional autonomy

Colleges and universities constitute a very special kind of community, so important to the health of our society that outside groups are constantly trying to exploit them and so vulnerable that only watchful and determined boards can protect them. The university's function, for example, as a critic of the society which supports it presupposes a certain independence from the society being criticized. The necessary autonomy was not achieved without a struggle, and it will not be maintained without vigilance. Recent increased public concern with the practices and content of education, increased gubernatorial and legislative controls over policies and expenditures, the growth of federal controls as the price of federal grants, the creation of multi-campus and multi-institutional governing boards and of statewide coordinating councils are reducing the area of institutional independence.

Defense of autonomy is no easy task for the trustees of independent institutions who must see that the larger public interest is served while simultaneously protecting their institution from outside interference. Donors must not be allowed to dictate undesirable restrictions on their gifts. Alumni must not be allowed to control the athletic program. It is even more difficult for regents of state universities who must oppose restrictions on the university's autonomy by governor or legislative committee or citizen group on grounds that the independence of the university will better serve the ultimate interests of the citizens.

The growth of statewide systems of higher education is a classic example of the conflict between the best interests of the individual and the greatest good of the greatest number. From the point of view of the state it is better, or at least it seems so, to have Downstate U and Upstate U under a single board of control. This prevents unseemly jockeying for public funds and unnecessary and expensive duplication of programs. Both universities, however, have lost their chief protection, and it remains to be seen whether local councils can stand up against state boards or whether state boards can be truly sensitive to individual institutional needs.

10. To enhance the public image

Men and women signal their interest in a given college or university when they agree to become trustees. They lend their name and prestige. They strengthen the institution in the public eye.

The responsibility of trustees for good public relations, however, stretches much farther than lending their names. Because they are so important to our society, colleges and universities become controversial. They fall victim to conflicting pressures. Their

true character and contribution to society are frequently misunderstood. One of the responsibilities of trustees is to defend the institution when defense is necessary. To do this trustees must understand their institutions and be prepared to stand up in public and be counted. The press releases from the campus are apt to be viewed by the public as special pleading or self serving. The trustee, however, stands apart—at least in the public mind. His or her defense of the controversial action is therefore important by providing a certain note of objectivity.

Trustees do not always agree among themselves on policy. The place in which to argue out their differences is the board room. Indeed, they will not be doing their duty if they do not raise questions, challenge proposals, debate over policies. But in public they should stand united with the institution and its policies. If the issue on which they differ is one of principle or if they hold such strong convictions that they cannot be comfortable with the majority decision, they should resign. Short of that, they should maintain a solid front.

Just as trustees must interpret the campus to the community, so they must also interpret the community to the campus. Society is constantly changing. New relationships and new expectations gradually emerge. Institutions, however, tend to resist change. In part this is inertia; it is always easier to continue doing what one has always done than to explore new paths. In part it reflects the self-centeredness of most college and university campuses where those living as well as working in a closely knit community form an in-group which shuts out the outside world or disparages that world as living by different values.

As a result new developments and long-term trends may go unnoticed or, if not unnoticed, disregarded. Trustees represent the outside world. They bring different perspectives and different backgrounds. As trustees they should ask what the institution is doing or proposes to do about these trends. They should challenge satisfaction with the *status quo*. They should serve as a bridge of communication between the larger society and the smaller one.

11. To serve as a court of appeal

Since trustees possess final legal authority within the institution, only the courts or the legislature can legally challenge their decisions.

Faculty and students may protest; they may argue vigorously for different policies, but short of lobbying in the state capital or taking their case to court, they have no redress from the board's decisions. Boards should insist that there be clearly established and publicized codes governing faculty status and student behavior. Both faculty and student rights and the due processes by which those rights are protected should be recognized. Appeals from the decisions of administrative officers eventually get to the board—the lay court of last appeal.

The rejected applicant, the dismissed student, the faculty member denied reappointment or tenure may take their case to the courts. With the spread of collective bargaining, adversarial relations are becoming more common. It is the board of trustees that is sued and whose decisions are either upheld or overturned in court.

12. To assess their own performance

The trustees, as we have seen, have a central and important role to play in the governance of the institution and in determining its mission, goals, plans and programs. They have a responsibility to evaluate the performance of the president, to assess the adequacy of the administration as a whole, to monitor the institution's progress toward agreed upon goals. They have also, and finally, a responsibility to assess their own contribution and performance. Indeed, the assessment of the president is more gracefully conducted it it is part of a review of the total governance of the institution, the role of the trustees included.

Trustees might well ask themselves whether they have a clear understanding of their legal, moral and social responsibilities. Have we given thought to the most desirable and effective

board composition and organization? How could the board be improved? Are our meetings well organized? Do we discuss the important questions? Do we have sufficient information?

Such a self-assessment can take many forms. The chairman might set aside some part of every meeting for some self-examination, or call a special meeting for such a purpose. The board might make use of the self-study materials prepared by the Association of Governing Boards, either with or without the Board-Mentor service also available. The use of an outside consultant is increasingly favored.

However it is done, let the board set the example to the rest of the institution. In doing so it will discharge its ultimate responsibility.

This booklet is the first in a series, AGB Pocket Publications, designed to give both new and experienced trustees concise, summary information on subjects and issues of high significance to governing boards.

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